



County of Los Angeles
CHIEF ADMINISTRATIVE OFFICE

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DAVID E. JANSSEN
Chief Administrative Officer

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June 26, 2007

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**LOS ANGELES COUNTY HOMELESS PREVENTION INITIATIVE: HOMELESS AND
HOUSING PROGRAM FUND CITY/COMMUNITY PROGRAMS
(ALL AFFECTED) (3 VOTES)**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Delegate authority to the Chief Administrative Officer (CAO) to prepare and execute agreements and other necessary documents with the Community Development Commission (CDC) required to transfer \$32 million in one-time only County General Funds from the Homeless and Housing Program Fund (HHPF) to CDC for the administration and implementation of the Request for Proposals (RFP) and Award of Contracts with appropriate city/community agencies for the expenditure of the City/Community Program component of the HHPF.
2. Authorize the Department of Mental Health (DMH) to participate in CDC's HHPF City/Community Program RFP, and to use CDC's RFP appeal process in lieu of the Countywide Services Contract Solicitation Protest Policy, for the selection of contractors to operate a Safe Haven Program and Transition Age Youth (TAY) Operating Subsidies as approved under the Mental Health Services Act (MHSA) Community Services and Supports (CSS) Plan. DMH will return to your Board for approval of any MHSA contracts awarded through this process.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose for the recommended action is to authorize the transfer of \$32 million from the HHPF to CDC for the administration and implementation of the City/Community Program component of the HHPF. In addition, the recommended action will permit DMH to use CDC's HHPF City/Community Program RFP as the solicitation vehicle for award of MHSA funds. Specifically, under this RFP, MHSA funds will be awarded for mental health services and operational expenses for a Safe Haven Program and project based operating subsidies for TAY.

On April 4, 2006, your Board approved the County Homeless Prevention Initiative (HPI) which consisted of two categories of funding: \$15.4 million in County General Funds for ongoing programs and \$80 million in one-time only County General Funds to be allocated to the HHPF and used to develop innovative programs to reduce homelessness in Los Angeles County. As part of the April 4, 2006 action, your Board directed that a spending plan for the \$80 million be developed and presented to your Board.

On September 26, 2006, your Board approved a recommended spending plan for the \$80 million HHPF. The spending plan included the \$32 million for the City/Community Program component to be allocated to social service providers, cities, and/or communities on a competitive proposal basis to meet locally defined needs. Your Board directed the CAO to work with the multi-departmental team that had developed the HPI to prepare an RFP for the City/Community Program component and return to your Board for approval of the RFP process. The CAO delegated lead responsibility for preparing the RFP to CDC; CDC in turn has worked with the multi-departmental team to develop the RFP process and is presenting that process for your approval as a companion action to this request.

In addition, your Board previously approved a streamlined competitive solicitation process for the award of MHSA CSS funds. This process includes the issuance of Requests For Statement of Qualifications (RFSQ), creation of a Master List of MHSA qualified bidders, and the release of Requests for Services. The Countywide Services Contract Solicitation Protest Policy applies to this process. However, in order to leverage County funds and ensure coordination with the County's Homeless Prevention Initiative's HHPF, DMH intends to participate in CDC's HHPF City/Community Program RFP for the selection of contractors to provide a Safe Haven Program and TAY operating subsidies. The successful proposers will enter into a contract with the County. For purposes of uniformity, DMH intends to use CDC's RFP appeal process instead of the Countywide Services Contract Solicitation Protest Policy. The RFP will advise prospective proposers that the Countywide Services Contract Solicitation Protest Policy will not apply to this MHSA award.

Implementation of Strategic Plan Goals

The recommended action is consistent with the County Strategic Plan Goal 1 - Service Excellence, Goal 4 – Fiscal Responsibility, and Goal 5 –Children and Families Well-Being.

FISCAL IMPACT/FINANCING

The \$80 million in one-time only County General Funds for the HHPF was approved by your Board as a part of the FY 2006-07 Budget on June 27, 2006. As noted, on September 26, 2006, you further approved a spending plan that allocated \$32 million of the \$80 million to the City/Community Program component of the HHPF. The requested action authorizes the CAO to enter into a funding agreement with CDC to transfer the funds and thereby enable CDC to take actions to administer, implement, and monitor a process to allocate the funds to cities and community-based organizations based upon awards approved by your Board through a competitive RFP process.

In conjunction with the \$80 million of County General Funds for the HHPF, DMH will award \$1.1 million of ongoing MHSA funds that were part of the CSS Plan approved by your Board on May 30, 2006. Specifically, DMH will provide \$736,280 for the provision of mental health services and operational expenses for a Safe Haven Program which is fully funded by MHSA. The total cost of the proposed MHSA TAY Operating Subsidies under the resulting agreements will not exceed \$390,000, which is fully funded by MHSA CSS Plan funds. The total funding for FY 2007-08 is included in the FY 2007-08 Proposed Budget.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The City/Community Program funds will be distributed using a Countywide open, competitive proposal process and as directed by your Board will serve to strengthen local social service infrastructure and/or help to create an infrastructure in communities where one currently does not exist or is inadequate. The Board approved spending plan for the City/Community Program allocates \$11.6 million for capital development and \$20.4 million for local defined supportive service programs. The funding is intended to enhance the capacity of communities to provide emergency, transitional, and permanent housing for the homeless along with supportive services.

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IMPACT ON CURRENT SERVICES (OR PROJECTS)

Funding allocated through the City/Community Program RFP process will increase the capacity of local cities and communities to provide housing and supportive services for their homeless and at-risk homeless populations.

Including the DMH MHSA funds in the RFP for the City/Community Program component of the HHPF will ensure the maximum leverage of County funds and coordination of County programs focused on assisting cities and communities to meet the housing and supportive service needs of their homeless and at-risk homeless population.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "David E. Janssen", with a stylized flourish at the end.

DAVID E. JANSSEN
Chief Administrative Officer

DEJ:LS
KH:os

c: Community Development Commission